



National Fuel

February 1, 2011

Christopher M. Trejchel
Assistant General Counsel

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Room B-20, North Office Building
Harrisburg, Pennsylvania 17120

Re: National Fuel Gas Distribution Corporation
Universal Service and Energy Conservation
Plan for 2011-2013 Submitted in Compliance
with 52 Pa. Code § 62.4
Docket No.M-2010-2192210

Dear Secretary Chiavetta:

Enclosed, for filing, is an original and five (5) copies of National Fuel Gas Distribution Corporation's amended pages of its Universal Service and Energy Conservation Plan for 2011-2013 Submitted in Compliance with 52 Pa. Code § 62.4.

After discussions with Bureau of Consumer Services staff members, it was determined that a clarification to the Plan be made to ensure compliance with the Department of Public Welfare's modified LIHEAP grant vendor agreement. To accomplish this clarification, National Fuel hereby submits the attached revised pages 5 and 14 of the Plan. We respectfully request that the Commission replace and supersede pages 5 and 14 of the Plan submitted by National Fuel on May 28, 2010, with these two revised pages. All other pages of the Plan, as submitted, shall remain unchanged.

As shown on the enclosed certificate of service, copies have been served on parties of the matter indicated.

Please direct any questions concerning this filing to the undersigned at (814) 871-8060.

Respectfully submitted,

Christopher M. Trejchel

Enclosure

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As a result of the 2006 Universal Service evaluation the Company also made two changes to the Neighbor for Neighbor Heat fund program and one change to the Low Income Usage Reduction Program (LIURP).

The Neighbor for Neighbor Heat Fund board of directors has approved and implemented changes to the eligibility requirements of the Neighbor for Neighbor grants, requiring the applicant to “have made three good payments within the last year and a fourth one within the last ninety days.” They also decided to reduce the maximum grant amount to \$150 for the non-natural gas applicants.

In response to a recommendation in the evaluation, the Company now only inspects approximately 25% of all jobs completed through LIURP.

Proposed Changes

By this Plan submission, the Company is clarifying the arrearage forgiveness component of the Low Income Residential Assistance procedures. As mentioned, in the previous filing the Company extended arrearage forgiveness to those participants who caught up their LIRA payments after shut off and their arrearage forgiveness rights were restored. The Company Plan did not specifically address the missed months of arrearage forgiveness and, by this Plan, the Company is specifically stating that when any missed payments are caught up, the forgiveness amounts associated with those missed payments will also be allowed, as long as the customer retains sufficient time within the 36 months allowed by the Plan. By following this procedure, LIRA participants will be further encouraged to make timely and complete payments as they go forward on the program.

Also, the Company is clarifying that LIHEAP grants will be applied in accordance with applicable Department of Public Welfare vendor requirements.

Following is a detailed description of the LIRA Program. Descriptions of the remainder of the National Fuel Universal Services and Conservation Services follow the LIRA description.

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Account Maintenance

Once the LIRA account is established, maintenance is critical to the success of the program. A number of functions, some one-time and others continuous, need to be performed.

Arrearage Forgiveness

The LIRA customer has the potential to receive complete forgiveness of the balance owing when he or she was accepted into the LIRA Program. The balance is forgiven over 24 months in equal installments. LIRA customers may receive up to an additional 12 months to achieve full arrearage forgiveness if they become current.

Holds are established for the preprogram arrearages. These arrearages will be shown on LIRA customers' bills. Each month the Budget Plan amount is paid on time, one twenty-fourth of the amount eligible for forgiveness is eliminated. Once a Budget Plan payment is missed, the customer has forfeited the opportunity to have this amount forgiven, until all missed LIRA payments are made.

After a LIRA customer has failed to make a monthly Budget payment, they must catch up on all monthly Budget payments to obtain further forgiveness.

When a LIRA customer moves to a new address and has paid all previous LIRA monthly bills, the remaining months for arrearage forgiveness can be utilized at the new address. The hold would be placed on the new account indicating the original amount of the arrearage forgiveness and the current amount to be held or considered for forgiveness.

Customer Contact

To encourage timely payments, avoid termination of service, and help ensure the opportunity to obtain forgiveness, an attempt may be made to telephone each LIRA customer approximately seven days before the bill becomes due.

Low Income Home Energy Assistance Program (LIHEAP)

If LIHEAP funds are available, customers will be informed that the program is open, and reminded to name National Fuel as primary fuel provider. At that time, the representative can assess whether additional assistance is necessary to help the customer with the LIHEAP application. If the calls are unsuccessful, a notification is sent by mail.

Automatic Roll-In of LIHEAP

All LIHEAP grants will be applied to the customers' LIRA program responsibility in accordance with applicable Department of Public Welfare vendor requirements. Any credit will be applied to reduce future Budget Plan payment amounts and the Budget Plan will be restarted for 12 months.

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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

National Fuel Gas Distribution	:	
Corporation Universal Service and	:	PROOF OF SERVICE
Energy Conservation Plan for 2011-2013	:	
Submitted in Compliance with 52 Pa.	:	
Code § 62.4	:	
	:	DOCKET NO. M-2010-2192210

I hereby certify that I have this day served a true copy of the foregoing document upon the participant, listed below, in accordance with the requirements of § 1.54 (relating to service by a participant).

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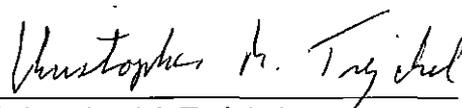
John H. Isom, Esquire Post & Schell, P.C. 17 North Second Street, 12 th Floor Harrisburg, PA 17101	Sharon E. Webb, Esquire Office of Small Business Advocate Suite 1102, Commerce Building 300 North Second Street Harrisburg, PA 17101
Christy M. Appleby, Esquire Office of Consumer Advocate 555 Walnut Street Forum Place, 5th Floor Harrisburg, PA 17101	Harry S. Geller, Esquire Pennsylvania Utility Law Project 118 Locust Street Harrisburg, PA 17101
Johnnie E. Simms, Esquire Office of Trial Staff Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street, 2nd Floor West Harrisburg, PA 17120	<div style="text-align: center;"> RECEIVED 2011 FEB -3 AM 10:11 PA P.U.C. SECRETARY'S BUREAU </div>

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Date: February 1, 2011

NATIONAL FUEL GAS
DISTRIBUTION CORPORATION



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National Fuel

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